Status of DSL Disconnects on UNE-P Orders

As described in the Reply Declaration of Lori A. Simpson filed in WC Docket No. 02-189, Qwest modified its internal procedures to eliminate DSL disconnects in error based on order entries when an end-user migrates from Qwest service to CLEC UNE-P service and wishes to retain DSL service. Qwest II Simpson Reply Decl. ¶ 8. This modification was transparent to CLECs and consisted of adding a field identifier ("FID") of "ADSL" on service orders. As Ms. Simpson stated, Qwest implemented this change on July 11, 2002.

The addition of the new FID has alleviated CLEC concerns about DSL disconnects during conversion of UNE-P customers. Between July 26 and September 23, Qwest processed 201 UNE-P orders which included DSL service with no outages. ¹ The fact that there was not a single DSL disconnect on UNE-P conversions during that time amply demonstrates that CLEC concerns have been successfully addressed and that this issue has been resolved.

The only outage Qwest recorded during that time occurred on an unbundled loop, not on UNE-P.

Status of Line Sharing Service Order Completions

As described in the Reply Declaration of Karen A. Stewart in WC Docket No. 02-189, Qwest implemented quality control measures designed to address CLEC concerns that Qwest was sending service order completion notices ("SOCs") on line sharing installations to CLECs before the work was actually completed by Qwest technicians. Qwest II Stewart Reply Decl. ¶¶ 35-42. Although Qwest did not agree that this was a significant issue, it wanted nonetheless to ensure that the potential for premature SOCs was addressed and monitored. *Id.* These measures went into effect by July 11, 2002.

First, Qwest central office technicians were instructed to complete line sharing orders by 4:00 p.m. each day and to manually complete each order, thus allowing for an affirmative confirmation that the physical work had been completed. Next, the new policy called for identification of all line sharing orders that are not complete by 4:00 p.m. local time. Inquiries into the provisioning status of these orders result in either completion of the order or positive jeopardy notification to the CLEC that the order may not complete on the desired completion date. Through this process, care is taken to ensure the billing "N" order also is placed in jeopardy status.

Qwest began tracking the results of this added step in the line sharing installation process and is convinced that the occurrence of SOCs on line sharing orders that have not been completed by the technician in the central office is de minimis. For example, in August, the first full month of tracking the results of the

manual completion process, in the nine application states, only 11 orders out of 1619, or 0.7% of CLEC change orders, auto-completed and therefore had any potential to have been completed prematurely. ¹

Qwest believes that this level of success with a newly implemented manual completion process indicates that premature service order completions are not a significant issue for line sharing, and that this issue therefore can be considered resolved.

A change order (or "C order") is the actual service order that generates the central office line sharing work on an existing local exchange line.

•

Status of Treatment of Line Sharing Outages

In its Reply Comments in WC Docket No. 02-148, Qwest stated that it would implement a change in how line sharing outages are categorized. Qwest I Stewart Reply Decl. ¶¶ 45-46. With the implementation of this change, line sharing outages are now classified as "out of service" rather than "service affecting," so that line sharing outages and voice service outages are now treated comparably. Qwest stated that this change would go into effect on August 16, 2002. *Id*.

Qwest has implemented the change as promised. In fact, Qwest was able to put this new approach to line sharing repairs into effect by July 29, 2002, more than two weeks ahead of schedule.

As expected, the change in categorizing line sharing outages may have had a positive effect on Qwest's commercial performance for maintenance and repair. For example, MR-4 and MR-6 improved regionwide in the month of August. See Qwest Regionwide Commercial Performance Results, September 2002, at 238-42 (MR-4, MR-6).

As discussed in the Qwest I Stewart Reply Declaration, Qwest believes that CLEC requests for delayed repair appointments and joint meets for repair testing beyond the first 24 hours are contributing to the Qwest commercial results for MR-3, MR-4 and MR-6. Qwest I Stewart Reply Decl. ¶¶ 47-50 and Exhibit KAS-4. Ms. Stewart stated that Qwest had begun the work to determine how to identify and track these CLEC-requested delays (i.e., lack of access situations for repair) and to exclude the requested delay time from the appropriate PIDs. Id. ¶ 48.

Qwest has virtually completed this process, and will be notifying CLECs within two weeks of the date of this refiled Consolidated Application regarding how these requested delays will be identified and appropriately excluded from MR-3, MR-4, and MR-6. Qwest believes the net result of this change will be that the Qwest commercial PIDs will more accurately reflect the quality of repair service Qwest is offering and providing to CLECs.

In summary, Qwest is confident that these steps will address any potential concerns about Qwest's repair performance for line sharing.

÷ .

Status of Router Testing for Line Sharing

During Qwest's 271 application process, Covad requested that Qwest perform "router testing" during line shared loop provisioning. In workshop negotiations with Covad, Qwest agreed to perform LSVT tests. As even Covad acknowledges, ¹ LSVT tests ensure that electrical continuity (i.e., connectivity and polarity) exists. Qwest did purchase and make LSVT test gear available in every central office with line sharing equipment by December 2001 as committed to Covad. Thus, Qwest already has a quality-assurance system in place to ensure physical continuity of the line between the main distribution frame ("MDF") and the DSLAM. ²

However, in an effort to continue to work collaboratively with its CLEC customers, and to meet their expressed needs, Qwest agrees to develop a router testing option as part of its line shared loop provisioning process. The initial terms and conditions for this testing option are as follows:

- The CLEC must provide DSL type (CAP, DMT, G.Lite) information on the line shared loop LSR. This is necessary to allow the router test device to talk to the CLEC owned DSLAM. New USOCs and FIDs will be required to facilitate passage of this information.
- Router testing for line shared loops will be performed using the same Qwest DSL test set used for Qwest retail DSL service.
- Router testing will be performed only to determine the physical connectivity between the MDF and the CLEC provided DSLAM, and not to test data services.

See Stewart ROC II Reply Decl. at \P 52.

See Stewart ROC II Reply Decl. at ¶¶ 44-58.

- Router testing will be performed only in those central offices
 where the Qwest DSL test set has already been deployed. There
 are approximately 55 central offices where line sharing
 equipment is installed and Qwest has not deployed the DSL test
 sets.
- Where the Qwest DSL test set is not available in the central office, Qwest will perform the LSVT test.
- When the CLEC chooses not to provide the type of DSL, Qwest can only perform an LSVT test during provisioning.
- The optional router testing is not available when the CLEC uses MVL-type DSL, since MVL is not supported by Qwest's DSL test set.

Qwest will make every effort to complete implementation of this testing option by the end of the fourth quarter, 2002. Qwest is unable at this time to provide a more definitive date due to the interplay of business process changes, timing of a Telcordia software enhancement to allow for additional jeopardy codes, and successful completion of the Qwest Change Management Process.

In sum, Qwest believes it has processes in place to test the physical continuity of the high frequency portion of the loop and provides CLECs with quality line shared installations. ³ However, to the extent that CLECs are convinced that router testing will provide additional testing assurance, Qwest will make this option available in the near future.

Qwest's consistently good commercial performance for line sharing installations in the states included in this Application, described in Qwest's original Applications and updated through the filing of performance data through August 2002, supports this conclusion. See Stewart ROC I Line Sharing Decl. at ¶¶ 44-53; Stewart ROC II Line Sharing Decl. at ¶¶ 45-52.

Response to Price Squeeze Questions (Montana) and Status of UNE Rates (Washington)

As explained in Qwest's previous submissions (e.g., Qwest I Brief at 186-89), the "price squeeze" claims raised by the non-facilities-based CLECs are flawed simply as a matter of law for the following reasons (among others): (1) Congress required regulators to set UNE rates on the basis of cost, not profit margins; (2) Congress therefore neither designed nor expected a cost-based platform to help CLECs recruit customers that an ILEC serves at below-cost rates through various subsidy mechanisms; (3) for such customers, Congress entitled CLECs to resale of an ILEC's retail services, for which CLECs pay a wholesale rate stepped down from the incumbent's retail rate; and (4) "it would not be in the public interest to deny a section 271 application simply because the local telephone rates are low." 1 As Qwest further demonstrated in its Application and Reply Comments in WC Docket No. 02-189, ² CLECs seeking to serve residential customers in Montana can earn positive margins between \$4.73 and \$6.19 in every density zone through section 251(c)(4) resale. The Commission has made clear that resale must be considered in any price squeeze inquiry, and that resale "provides a profit margin"

Vermont 271 Order, 17 FCC Rcd at 7664 ¶ 68; accord New Hampshire/Delaware 271 Order, ¶ 161. In fact, because Section 271(d)(4) bars the FCC from "extend[ing] the terms used in the competitive checklist," the Commission could not (even if it wished to) lawfully construe the "public interest" standard to impose new "top-down," margin-related pricing requirements for UNEs instead of, or in addition to, the "bottom-up" cost standard prescribed by Section 252(d)(1) and incorporated by reference in the checklist.

See Qwest II Brief at 188-92; Thompson Montana Pricing Decl. ¶¶ 24-31 & Exh. JLT-MT-6; Qwest II Reply Comments at 116-22; Thompson Pricing Reply Decl. ¶¶ 68-100; Reply Exh. JLT-12.

even where "the costs of individual elements exceed the retail rate." See, e.g., Vermont 271 Order, 17 FCC Rcd at 7664 ¶ 69. Moreover, even with regard to UNE-based competition, positive margins ranging from \$2.41 to \$2.85 are available to CLECs in every zone in Montana for provision of residential service to those customers that produce merely average toll, access, and feature revenues. ³

Qwest now provides additional evidence confirming that, using the UNE-P, CLECs in Montana can earn large positive margins serving substantial numbers of residential customers, meaning they are not "doomed to failure" in the residential market. ⁴ First, there are substantial numbers of residential customers in Montana who have demonstrated their willingness to purchase high-margingenerating packages of multiple vertical features, and whom CLECs can profitably target. Customers representing fully 22% of Qwest's residential access lines in Montana pay an additional \$16.22 per month on top of all other service charges to subscribe to "Custom Choice," a package of twenty vertical features. Exhibit 10-1 demonstrates that end users who purchase the equivalent of Qwest's "Custom Choice" package, and who generate average access and toll revenues, would offer

By comparison, the Commission found a \$2.76 margin sufficient to permit competitive entry in the South Carolina residential market. See Alabama/Kentucky/Mississippi/North Carolina/South Carolina 271 Order, ¶ 284.

Sprint Communications Co. L.P. v. FCC, 274 F.3d 549, 554 (D.C. Cir. 2001); see Georgia/Louisiana 271 Order, 17 FCC Rcd at 9179-80 ¶ 286; Vermont 271 Order, 17 FCC Rcd at 7664 ¶ 70. This additional evidence, which supplements the Thompson Montana Pricing Declaration, is presented in the same format as Exh. JLT-MT-6 thereto. In particular, Exhibit 10-2 is identical to Exh. JLT-MT-6, except that it also factors in revenue from federal universal service funds and the amortized costs of non-recurring charges.

CLECs substantial margins -- ranging from about \$14.50 to almost \$15.00 -- in every density zone in Montana.

Second, the Commission has made clear that any price squeeze analysis must account for the CLECs' "ability . . . to leverage their presence in the long-distance or business markets . . . into an economically viable residential telephone service business." Vermont 271 Order, 17 FCC Rcd at 7664 ¶ 71. Exhibit 10-3 details the margins available to CLECs that provide local exchange service to Montana business customers. Like the analysis presented in Exh. JLT-MT-6 to the Thompson Montana Pricing Declaration (which focused on residential customers), this attachment presents four "cases." "Case A" represents a business customer who purchases only basic service with no additional revenues; "Case B" represents a business customer with low additional revenues (basic service plus 50% of average additional revenues); "Case C" represents a business customer who provides an average amount of additional revenue (basic service plus average additional revenues); and "Case D" represents a business customer who offers the local exchange carrier a high degree of additional revenue (basic service plus 150% of average additional revenues). As this analysis demonstrates, the average (Case C) business user offers a CLEC a margin ranging from \$25.35 to \$25.79 in every density zone. A high-end (Case D) business user offers margins between \$30.99 and \$31.43. And even a "Case A" business end user, who supplies no revenue beyond those associated with basic service, provides margins of more than \$14.00 in every zone.

Qwest also notes that, on August 30, 2002, it filed tariff revisions with the WUTC to reflect new UNE rates and a proposal to deaverage the HUNE rate (Docket No. UT-021121). Thereafter, in order to address WUTC and Staff concerns that a deaveraged HUNE rate would be inconsistent with a prior WUTC order, on Sept 25, 2002, Qwest offered to withdraw the deaveraged rates and refile a flat rate of \$2.00 (reduced from \$4.00), to be effective September 29, 2002. Revised tariff sheets were filed on September 25, 2002. The WUTC allowed the rates to become effective on the stated effective date.

Qwest Montana
Comparison of Residential Revenue to UNE-P Costs (with Federal USF)
UNE-P Cost

1.58 \$

Zone 2

1.58 \$

Zone 3

1.58 \$

Zone 4

Zone 1

Port

Margin as % of cost

9%

8%

7%

Loop	\$	23,10	\$	23.90	\$	27.13	\$	29.29						Zone 2		11%				
Local switching	\$	7.22	\$	7.22	\$	7.22	\$	7.22						Zone 3		10%				
Shared Transport	\$	1.08	\$	1.08	\$	1.08	\$	1.08						Zone 4		4%				
	\$	32.98	\$	33.78	\$	37.01	\$	39.17												
Non-recurring	\$	0.02	\$	0.02	\$	0.02	\$	0.02												
	\$	33.00	\$	33.80	S	37.03	\$	39.19												
								Resale	Αv	g. Resale										
		Es	tim	ated Reve	nue			Cost		<u>Re</u> venue										
Basic and EAS			\$				\$	15.70	\$	20.81										
SLC			\$	5.33			\$	5.33	\$	5.33										
Line Revenue			\$	24.50			\$	21.03	\$	26.14										
Federal USF			\$	1.94			\$	-	\$	-										
Features			\$	4.10			\$	3.36	\$	4.10										
Inter/intra LATA Access			\$	4.03			\$	-	\$	-										
IntraLATA Toll			\$	1.28			\$	1.05	\$	1.28										
Total Additional (Access, To	II)		\$	9.41			\$	4.41	\$	5.38										
	_	_								1	1									
		Case A				onal Rever	ue	•		Resale		Case B			liti	onal Reven				Resale
4 4 10		Zone 1	_	Zone 2		Zone 3	_	Zone 4		one 1-4		Zone 1		Zone 2	_	Zone 3		Zone 4		Cone 1-4
Local line	•	24.50	\$	25.25	\$	28.25	\$	30.25	\$	26.14	\$		\$		\$		\$	30.25	\$	26.14
Add'l Revs & Federal USF	•	1.94	\$		\$	1.94	\$	1.94	\$	-	\$		-		\$		\$	6.65	\$	2.69
UNE-P Cost	•	33.00	\$		\$	37.03			\$	21.41	\$			33.80	-		\$		\$	23.61
Gross margin	\$	(6.56)	\$	(6.61)	\$	(6.84)	\$	(7.00)	\$		\$	` '	\$	(1.91)	5		\$	(2.30)	5	5.22
Margin as % of cost		-20%		-20%		-18%		-18%		22%		-6%		-6%		-6%		-6%		22%
	_	ase C		Med Add	itio	nal Reven	ue		_	Resale	H	Case D		High Add	diti	onal Rever	ıue			Resale
	Z	one 1		Zone 2		Zone 3		Zone 4	Z	one 1-4		Zone 1		Zone 2		Zone 3		Zone 4	Z	one 1-4
Local line	\$	24.50	\$	25.25	\$	28.25	\$	30.25	\$	26.14	\$	24.50	\$	25,25	\$	28.25	\$	30.25	\$	26.14
Add'l Revs & Federal USF	\$	11.35	\$	11.35	\$	11.35	\$	11.35	\$	5.38	\$	16.06	\$	16.06	\$	16.06	\$	16.06	\$	8.07
UNE-P Cost	\$	33.00	\$	33.80	\$	37.03	\$	39.19	\$	25.81	\$	33.00	\$	33.80	\$	37.03	\$	39.17	\$	28.02
Gross margin	\$	2.85	\$	2.80	\$	2.57	\$	2.41	\$	5.71	\$	7.56	\$	7.51	\$	7.28	\$	7.14	\$	6.19
										1										

6%

22%

23%

22%

20%

18%

22%

% of Residence Lines

75%

Zone 1

Qwest Montana
Comparison of Residential Custom Choice Revenue to UNE-P Costs
UNE-P Cost

	Z	Zone 1		Zone 2	Z	one 3	Zone 4		
Port	\$	1.58	5	1.58	\$	1.58	\$	1.58	
Loop	\$	23.10	\$	23.90	\$	27.13	\$	29.29	
Local switching	\$	7.22	\$	7.22	\$	7.22	\$	7.22	
Shared Transport	<u>\$</u>	1.08	\$	1.08	\$	1.08	\$	1.08	
	\$	32.98	\$	33.78	\$	37.01	\$	39.17	
Non-recurring	\$	0.02	\$	0.02	\$	0.02	\$	0.02	
	\$	33.00	\$	33.80	\$	37.03	\$	39.19	

			1	Resale	Avg	j. Resale
	<u>Estimat</u>	ed Revenue		Cost	R	evenue
Basic and EAS	\$	19.17	\$	15.70	\$	20.81
SLC	\$	5.33	\$	5.33	\$	5.33
Line Revenue	\$	24.50	\$	21.03	\$	26.14
Federal USF	\$	1.94	\$	-	\$	-
Custom Choice	\$	16.22	\$	13.28	\$	16.22
Inter/Intra LATA Access	\$	4.03	\$	-	\$	•
IntraLATA Toll	\$	1.28	\$	1.05	\$	1.28
Total Additional (Access, Toll)	\$	5,31	\$	1.05	\$	1.28

			Medium .		Resale				
	Zone 1		Zone 2		Zone 3		Zone 4	Z	one 1-4
Local line	\$ 24.50	\$	25.25	\$	28.25	\$	30.25	\$	26.14
Add'l Revs & Federal USF	\$ 23.47	\$	23.47	\$	23.47	\$	23.47	\$	17.50
UNE-P Cost	\$ 33.00	\$	33.80	\$	37.03	\$	39.19	\$	35.36
Gross margin	\$ 14.97	\$	14.92	\$	14.69	\$	14.53	\$	8.28
Margin as % of cost	45%	44%		40%			37%		23%

% of Residential Customers 22%

Qwest Montana
Comparison of Business Revenue to UNE-P Costs
UNE-P Cost

	Z	one 1	Z	one 2	2	one 3	Zone 4		
Port	\$	1.58	\$	1.58	\$	1.58	\$	1.58	
Loop	\$	23.10	\$	23.90	\$	27.13	\$	29.29	
Local switching	\$	7.22	\$	7.22	\$	7.22	\$	7.22	
Shared Transport	<u>\$</u>	1.08	<u>\$</u>	1.08	\$	1.08	<u>\$</u>	1.08	
	\$	32.98	\$	33.78	\$	37.01	\$	39.17	
Non-recurring	<u>\$</u>	0.02	\$	0.02	\$	0.02	\$_	0.02	
	\$	33.00	\$	33.80	\$	37.03	\$	39.19	
							_		

	% of Business Lines
Zone 1	89%
Zone 2	6%
Zone 3	4%
Zone 4	1%

			ş	Resale	Avg	. Resale
	<u>Estima</u>	<u>ted Revenue</u>		Cost	Re	venue
Basic and EAS	\$	36.38	\$	29.80	\$	-
SLC	\$	9.20	\$	9.20	\$	9.20
Line Revenue	\$	45.58	\$	39.00	\$	9.20
Federal USF	\$	1.94	\$	-	\$	-
Features	\$	4.47	\$	3.66	\$	4.47
Inter/Intra LATA Access	\$	5.52	\$	-	\$	-
IntraLATA Toll	\$	1.28	\$	1.05	\$	1.28
Total Additional (Access, Toll, USF)	S	11.27	S	4 71	s	5 75

	Case A		No Additional Revenue					F	Resale	Case B		Low Additional Revenue							Resale		
	Z	Zone 1		Zone 2		Zone 3		Zone 4		Zone 1-4		Zone 1		Zone 2	Zone 3		7	Zone 4	Zo	ne 1-4	
Local line	\$	45.58	\$	46.33	\$	49.33	\$	51.33	\$	9.20	\$	45.58	\$	46.33	\$	49.33	\$	51.33	\$	9.20	
Add'l Revs & Federal USF	\$	1.94	\$	1.94	\$	1.94	\$	1,94	\$	-	\$	7.58	\$	7.58	\$	7.58	\$	7.58	\$	2.88	
UNE-P Cost	\$	33.00	\$	33.80	\$	37.03	\$	39.19	\$	7.53	\$	33.00	\$	33.80	\$	37.03	\$	39.19	\$	9.89	
Gross margin	\$	14.52	\$	14.47	\$	14.24	\$	14.08	\$	1.67	\$	20.16	\$	20.11	\$	19.88	\$	19.72	\$	2.19	
Margin as % of cost		44%		43%		38%		36%		22%		61%		59%		54%		50%		22%	

·	(Case C	C Med Additional Revenue					Resale	Case D	High Additional Revenue							Resale		
	2	Zone 1	7	Zone 2	7	Zone 3	7	Zone 4	Z	one 1-4	Zone 1		Zone 2	:	Zone 3	:	Zone 4	Z	one 1-4
Local line	\$	45.58	\$	46.33	\$	49.33	\$	51.33	\$	9.20	\$ 45.58	\$	46.33	\$	49.33	\$	51.33	\$	9.20
Add'l Revs & Federal USF	\$	13.21	\$	13.21	\$	13.21	\$	13.21	\$	5.75	\$ 18.85	\$	18.85	\$	18.85	\$	18.85	\$	8.63
UNE-P Cost	\$	33.00	\$	33.80	\$	37.03	\$	39.19	\$	12.24	\$ 33.00	\$	33.80	\$	37.03	\$	39.19	\$	14.60
Gross margin	\$	25.79	\$	25.74	\$	25.51	\$	25.35	\$	2.71	\$ 31.43	\$	31.38	\$	31.15	\$	30.99	\$	3.23
Margin as % of cost		78%		76%		69%		65%		22%	95%		93%		84%		79%		22%

Application of the Switching Carve-Out

Effective September 25, 2002, Qwest revised the manner in which it applies the four-or-more-line switching carve-out. For purposes of calculating applicability of the carve-out, Qwest now counts lines on an end-user location basis rather than on a wire center basis. With this change, Qwest's practices are consistent with the Wireline Competition Bureau's decision in the Virginia Arbitration Order. ¹

On September 25, Qwest provided notice of this change to CLECs via the Change Management Process. A copy of the notice to CLECs is attached as Exhibit 11-1 hereto. Qwest also posted on its web site on September 25 a contract amendment reflecting the change. The contract amendment is attached as Exhibit 11-2.

Finally, Qwest has revised its Wholesale Product Catalog ("PCAT") for unbundled switching and UNE-P to reflect the change. The revised PCAT language can be found in the attached notice to CLECs in Exhibit 11-1.

Petition of WorldCom, Inc. Pursuant to Section 252(e)(5) of the Communications Act for Preemption of the Jurisdiction of the Virginia State Corporation Commission Regarding Interconnection Disputes with Verizon Virginia Inc., and for Expedited Arbitration, CC Docket No. 00-218, ¶¶ 360-63 (July 17, 2002). Qwest's revised policy was already in effect in Washington, where the Washington Utilities and Transportation Commission determined in its final order on unbundled switching that lines should be counted on a per-location basis for purposes of the carve-out. See Simpson/Stewart ROC II Switching Decl. at ¶ 21.



Announcement Date: September 24, 2002
Effective Date: September 25, 2002

Document Number: PROS.09.24.02.F.00585.Density_Zone_1
Notification Category: Process Notification
CLECs, Resellers

Subject: CMP – Unbundled Network Elements-Platform

(UNE-P) - General Information,

Unbundled Network Element Switching (UBS), &

Negotiations Template Agreement

Level of Change: Level 1

Associated CR Number or System Release

Number:

Not Applicable

Summary of Change:

On September 25, 2002, Qwest will post <u>updates</u> to its Wholesale Product Catalog that include corrections, clarifications and additional information for Unbundled Network Elements – Platform (UNE-P) – General Information, Unbundled Network Element Switching (UBS) and the Negotiations Template Agreement.

Corrections, clarifications and/or additional information that does not change the product or process have been made to Unbundled Network Elements – Platform (UNE-P) – General Information, Unbundled Network Elements Switching (UBS), and the Negotiations Template Agreement. Specifically, Qwest has clarified the means by which it will count end-user lines in the Qwest Density Zone 1 wire centers for the purposes of applying market-based rates for Unbundled Local Switching, including Unbundled Local Switching provided as part of UNE-P combinations.

You will find a summary of these updates on the attached Web Change Notification Forms. Actual updates to the operational documents are found on the Qwest Wholesale Web Site at these URLs:

UNE-P: http://www.qwest.com/wholesale/pcat/unep.html
UBS: http://www.qwest.com/wholesale/pcat/unswitch.html

Negotiations Template Agreement: http://www.gwest.com/wholesale/clecs/negotiations.html

Comment Cycle:

No formal comment cycle applies. If you have any questions on this subject, please submit comments to the CMP Manager at cmpcr@qwest.com.

Sincerely,

Qwest

Note: In cases of conflict between the changes implemented through this notification and any CLEC Interconnection Agreement (whether based on the Qwest SGAT or not), the rates, terms and conditions of such Interconnection Agreement shall prevail as between Qwest and the CLEC party to such Interconnection Agreement.

The Qwest Wholesale Web Site provides a comprehensive catalog of detailed information on Qwest products and services including specific descriptions on doing business with Qwest. All information provided on the site describes current activities and process. Prior to any modifications to existing activities or processes described on the web site, wholesale customers will receive written notification announcing the upcoming change.



WEB CHANGE NOTIFICATION FORM:

Attention: Changes have been made to the Qwest's Wholesale

Markets Web Page URL

http://www.qwest.com/wholesale/

Product(s) Impacted: Unbundled Network Elements-Platforms (UNE-P) -

General Information

Effective Date: September 25, 2002

Updated information/documentation will be posted to the Wholesale Markets web site that impact Unbundled Network Elements-Platform (UNE-P) – General Information for Wholesale Interconnection.

This information will be found at URL: http://www.qwest.com/wholesale/pcat/unep.html

If you do not see the following updates, hit the reload button on your Netscape Navigator, or refresh under view within Internet Explorer.

All updates are consistent with the information available in the Statement of Generally Available Terms (SGAT) URL http://www.qwest.com/about/policy/sgats/

Section	Sub Section	UPDATE / ACTIVITY
Pricing	ates	DELETE USE Products are available in Gwest wire centers where technically feasible. ADIS The Foot INE Ferminic Grap alides Crees DELETE is alliqued to charge market-based rates for UBS and the UBS element of UNE-P service when your endusers ADI involving a note of ELETE except three access lines in DELETE pertain ADI assertled Zone (Metropolities Statistical Adia Ower) wire centers ADI PERIOD DELETE at the near in the Foot INE Period Order See following table for Metropolities Statistical Adia (MSA) Dwest wire centers ADI PERIOD DELETE at the accept wire centers, you may order UBS or UNE-P for your end-users with three access tines or fewer at UNE-P for your end-users with three access tines or fewer at UNE-P for your end-user exceeds three DELETE or part UBS or UNE-P access lines, ADI Ower hap till market-based rates DELETE will apply to ADI of the UBS service or the UBS element of all four or more UNE-P lines. The UBS product and the UBS element of UNE-P service includes the port, Local Switching Originating MOU, and vertical switch features. For UNE-P, charges for the loop and shared transport will remain at UNE rates. For UNE-P services, ADI determination where DELETE publication of market-based rates ADI and will be made by contained the TETE falculated using the number of voice grade service ALD equivalent access lines DELETE equivalent you order for your individual ADI and access a support legation. DELETE and the ADI End use lights harms will be used to attempt which lines belong to a individual and user Each UNE-P POTS, UNE-P PAL, UNE-P ISDN BRI, UNE-P Centrex 21, or UNE-P PBX analog trunk combination counts as one dial-

QWest

part is defined by listed name within each exempt wire cented
for purposes of determining the exclusion, an end-user by such
definition right have access lines at more than one survice of
isted address within the excluded wire center all of which would
be counted to purposes of determining the number of ascess
inters.

DELETE Currently Qwest is ADD currently charging DELETE offling UNE rates ADD for all inservice USS, including UBS provided as an element of UNE-P combination services to covere. Quest reserves the right to charge market-based rates of such UBS as allowed by the ECC. At sight time as Covery Determines to begin charging market-based rates DELETE regardless of the market-based rates overriging. When Covery's systems are capable of allowing identification and billing of market-based rates; you will be notified of the ADD rate DELETE pending billing change by Product Announcement and Change Management Process (CMP) channels.



WEB CHANGE NOTIFICATION FORM:

Attention: Changes have been made to the Qwest's Wholesale

Markets Web Page URL

http://www.gwest.com/wholesale/

Product(s) Impacted: Unbundled Network Elements - Switching (UBS)

Effective Date: September 25, 2002

Updated information/documentation will be posted to the Wholesale Markets web site that impact Unbundled Network Elements – Switching (UBS) for Wholesale Interconnection.

This information will be found at URL: http://www.qwest.com/wholesale/pcat/unswitch.html

If you do not see the following updates, hit the reload button on your Netscape Navigator, or refresh under view within Internet Explorer.

All updates are consistent with the information available in the Statement of Generally Available Terms (SGAT) URL http://www.qwest.com/about/policy/sgats/

Section	Sub Section	UPDATE / ACTIVITY
Pricing	Rate Structure	Vertical features will be offered as options for Unbundled Local Switching at rates listed in Exhibit A of the SGAT (Link blue text to: http://www.qwest.com/about/policy/sgats/) for the relevant state. DELETE Exhibit A contains the UNE rates and the market present attention this component of Unbundled Local Switching. INE rates apply unless the endraser to be served has four access these or more and the lines are located in wire contars located in Density Zone 1 in Metropolitan Statistical Areas MAGAS, specified in the state specific SGAT (Link blue text to list the Areas owest convertable specific SGAT (Link blue text to list the Areas owest convertable specific SGAT (Link blue text to list the apply). DELETE The MSA Qualification is defined in the FCC's UNE Remaind Critics Clyest is example from the requirement to provide information switching for emanagers with four or space access line equivalences within certain Gwast as empty wire centers (listed teach rates for such inbundled switching. Covers will charge market based rates for such inbundled switching. Covers will charge market based rates for such inbundled switching. Covers will charge market based rates for such inbundled switching. Covers will charge market based rates for such inbundled switching. Covers will charge market based rates for such inbundled switching.
		whe centers. However, Overall's one prise at the time of this problem to implement billing of market-based rates. When Cover's settling are capable of allowing identification and billing of parket-based rates you will be notified of the pending tilling change by Product Announcement and the change Management Rouges (CMP) described at Exploit C of the Sourt for the several for the several for the several for the several for the Sourt for the Several forms of the Several f

Qwest:

LINE INCLUDES CONT. IOCAL SWIICH MOLLS, BBLL VERHÖGE SWIICH REBURNS

DELETE Aften your end-user has three or less access tipes and accessoritional access lines a seal Switching LINEs (Le.) ricreasing to four or more), market based unbunding switching aless will apply to the unbundled local switching signiests for all our or more access lines.

DELETE Application of unbandled local exticting market-based rates will be calculated using the number of DSG equivalents you other for your individual and-users. Each Plain Clid Telephone Service (POTS), ISDN BRI, or 25% analog frank counts as one 25% equivalents counts.

OSD equivalentancess line DELETE Your end-upon a delimina by Listed Name within each exempt was centur. For purposes of determining the exclusion as end-user by such definition might have access lines at more han one service or esert address within the excluded wire sense all of which would be counted to purposes of determining the number of access lines.

he number of abrees lines;
ADD The PCC UNE Remaind Criter allows Covers to charge
market-based rates for UBS and the UBS alement of Unbundled
betweek Elements - Platform (UNE-P) (Link Sheetext to
http://www.gwest.com/whilesale/post/ampp html/service wher
cour end-mers have rout or more access meet in specified 2006
Metropolitan Statistical area (MSA) Gwest week centers

ACE in these specified sand centers, you may order URS or LINE for your end-users with three access sines or fewer at LINE of the Whos an endured exceeds three LIBS or DISELIA access this. Owest may be market based rates for the LIBS seprecially URS element or all four or more UNE-P these. The URS profile out the particular and the URS element of UNE-P sanders includes the particular switching Cooperating MCU, and vertical switch reatings of UNE-P charges for the loop and shared transport will remain at UNE-rates.

ALID For UNE-P services, detainfication whether (parks) beset elec apply will be made by counting the number of value grade or Vice squivalent scales lines you order for your individual end liters at a given location. End user listed name will be used to selement which lines colong to an individual end liter. Each Flair Cid Telephore dervice (e.g., 1885, 1885, Centrew, 1975). BRI, or PEX analog turns counts as one DEC equivalent access and

ADD Divest is consistly oranging UNE rates for all in-cervice USS, including USS provided as an element of USE P combination services. However, givest transvers the right to charge market-based rates for such USS as allowed by the FCC At such time as Covert determinant to begin charging market based rates, you will be polified of the rate change by Product Announcement and Change Management Process (CMP) than each

AUD Fourteen Density Zeno 1 Ware Centers located within the FCC-specified MSAs Issue bean identified in the Qwest Techtory DELETE The fourteen Donardy Zone 1 exempt was centers



DELETE Metropolitan Statistical Area MSA ADE MSA Exempl Miles Canters	CLLI
Denver, CO	DNVRCOCH
	DNVRCOCP
	DNVRCODC
	DNVRCOMA
	DNVRCONO
Minneapolis/St. Paul, MN	MPLSMNDT
	STPLMNBE
<u> </u>	STPLMNMK
Phoenix, AZ	PHNXAZMA
	PHNXAZNO
Portland, OR	PTLDOR69
Salt Lake City, UT	SLKCUTMA
Seattle, WA	STTLWA06
	STTLWAEL

Pricing	Rate Structure	Select E. Market consecrates upon contribution to operate support of the Market consecrated access lines. The lines are to also at wire entires in Densiry Zone 1 in MSAs specified in the SSAT for the relevant state (time supertext to this covered contrational coverages). Caused defined beneate Zone 1 on January 1, 1999. The review sweet contration (EEL) (Lines belower to the province of the covered contrations of the covered contrations are available as applicable in your state.
Implementation	Billing	DELETE Cornet is correctly unable to implement billing of Market cases Pares for MCA. (Link blue text to Anchor Memopolitati Statistical Area (MCA. Catalification) essents, was centere. Once Cwast systems are centere of allowing identification and talling of Market Based Pases, you will be justified of the pending billing change by Product Amountament and CMP described in Attachment C of the EGAT for the relevant state. (Link blue text of http://www.dwest.com/about/policy/scales)



WEB CHANGE NOTIFICATION FORM:

Attention: Changes have been made to the Qwest's Wholesale

Markets Web Page URL

http://www.gwest.com/wholesale/

Business Procedures Impacted: Negotiations Template Agreement

Effective Date:

September 25, 2002

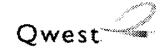
Updated information/documentation will be posted to the Wholesale Markets web site that impact Negotiations Template Agreement

This information will be found at URL: http://www.gwest.com/wholesale/clecs/negotiations.html

If you do not see the following updates, hit the reload button on your Netscape Navigator, or refresh under view within Internet Explorer.

All updates are consistent with the information available in the Statement of Generally Available Terms (SGAT) URL http://www.qwest.com/about/policy/sqats/

Section	Sub UPDATE / ACTIVITY Section
Product Name	Negotiations Template Agreement – ALLE 12 14 14 14 15 15 15 15 15 15 15 15 15 15 15 15 15
History Log	History Log Cask blue text to replace existing described with attached Neg Temp Agreement History Log
Amendments for Products and Services Not in the Filed SGATs	ADD Unburdled Local Switching — Exception to LRIE Printing Actuation and Unit blue text to: Unbuildled Local Switching Exception to UNE Printing Americaneet)



Unbundled Local Switching - Exception to UNE Pricing Amendment to the Interconnection Agreement between Qwest Corporation and

	for the State of	_		
Agreement between Qwes	Amendment") forst Corporation "Qwest"., a Colorado corpo est shall be known jointly as the "Parties".	oration, and	the	Interconnection
	RECITALS			
	west entered into an Interconnection Agro which was approved by the			
WHEREAS, the Parties wherein.	vish to amend the Agreement further und	der the term	ns and co	onditions contained

AGREEMENT

NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

Amendment Terms

The Agreement is hereby amended by replacing terms and conditions, Sections 9.11.2.5 and 9.11.2.5.7, and 9.11.2.5.7.1, as set forth in the Agreement, for Unbundled Local Switching as set forth in Attachment 1, to this Amendment, attached hereto and incorporated herein by this reference.

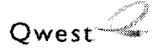
Effective Date

This Amendment shall be deemed effective upon approval by the Commission; however, the Parties may agree to implement the provisions of this Amendment upon execution. To accommodate this need, CLEC must generate, if necessary, an updated Customer Questionnaire. In addition to the Questionnaire, all system updates will need to be completed by Qwest. CLEC will be notified when all system changes have been made. Actual order processing may begin once these requirements have been met.

Further Amendments

Amendments; Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Agreement may not be given without the written consent thereto by both Parties' authorized representative. No waiver by any party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, will be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Entire Agreement. This Agreement (including the documents referred to herein) constitutes the full and entire understanding and agreement between the parties with regard to the subjects of this Agreement and supersedes any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they relate in any way to the subjects of this Agreement.



	Qwest Corporation
Signature	Signature
Name Printed/Typed	Name Printed/Typed
Title	Title
Date	Date



Arizona

9.11.2.5 Unbundled Local Switching does not constitute a Unbundled Network Element (UNE), and is therefore not available at UNE rates, when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location, and the lines are located in density zone 1 in specified Metropolitan Statistical Areas (MSAs). An exception would be when CLEC orders EEL in density zone one of the top fifty (50) MSAs and Qwest cannot provision the service. Unbundled Local Switching is available at market-based rates when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location and the lines are located in density zone 1 in specified MSAs. This exception applies to density zone 1 as it was defined by Qwest on January 1, 1999.

9.11.2.5.7 CLEC may order new Unbundled Local Switching or Unbundled Network Element – Platform (UNE-P) Combinations in quantities that exceed three (3). If CLEC orders four (4) or more such Unbundled Local Switching elements or UNE-P Combinations for an individual End User Customer at a given location within the Wire Center(s) identified above in this section, market-based rates for the Unbundled Local Switching elements or for the unbundled switching component of the UNE-P service as provided in Exhibit A of the Statements of Generally Available Terms and Conditions (SGAT's) shall apply.

9.11.2.5.7.1 When a CLEC's End User Customer with three (3) lines or fewer served by UNE-P or unbundled switching adds lines so that it has four (4) or more lines at a given location, CLEC shall do one of the following regarding the original three (3) Unbundled Local Switching elements or UNE-P lines within sixty (60) days from the date the fourth line is added: 1) CLEC may retain such unbundled switching lines at a market-based rate or retain such UNE-P lines as UNE-P Combinations with a market-based rate for the unbundled switching component shown in Exhibit A of the SGAT; or 2) CLEC shall convert such lines from UNE-P lines or unbundled switching elements to resold services or other appropriate arrangement.

All other states:

9.11.2.5 Unbundled Local Switching does not constitute a UNE, and is therefore not available at UNE rates, when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location, and the lines are located in density zone 1 in specified Metropolitan Statistical Areas (MSAs). Unbundled Local Switching is available at market-based rates when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location and the lines are located in density zone 1 in specified MSAs. This exception applies to density zone 1 as it was defined by Qwest on January 1, 1999.

9.11.2.5.7 CLEC may order new Unbundled Local Switching or UNE-P Combinations in quantities that exceed three (3). If CLEC orders four (4) or more such Unbundled Local Switching elements or UNE-P Combinations for an individual End User Customer at a given location within the Wire Center(s) identified above in this section, market-based rates for the Unbundled Local Switching elements or for the unbundled switching component of the UNE-P service as provided in Exhibit A of the SGAT shall apply.

9.11.2.5.7.1 When a CLEC's End User Customer with three (3) lines or fewer served by UNE-P or unbundled switching adds lines so that it has four (4) or more lines at a given location, CLEC shall do one of the following regarding the original three (3) Unbundled Local Switching elements or UNE-P lines within sixty (60) days from the date the fourth line is added: 1) CLEC may retain such unbundled switching lines at a market-based rate or retain such UNE-P lines as UNE-P



Combinations with a market-based rate for the unbundled switching component shown in Exhibit A of the SGAT; or 2) CLEC shall convert such lines from UNE-P lines or unbundled switching elements to resold services or other appropriate arrangement.

Unbundled Local Switching - Exception to UNE Pricing Amendment to the Interconnection Agreement between Qwest Corporation and

for the State of
This is an Amendment ("Amendment") for
RECITALS
WHEREAS, CLEC and Qwest entered into an Interconnection Agreement ("Agreement") for service in the state of which was approved by the Commission ("Commission"); and
WHEREAS, the Parties wish to amend the Agreement further under the terms and conditions contained herein.
AGREEMENT
NOW THEREFORE, in consideration of the mutual terms, covenants and conditions contained in this Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:
Amendment Terms
The Agreement is hereby amended by replacing terms and conditions, Sections 9.11.2.5 and 9.11.2.5.7, and 9.11.2.5.7.1, as set forth in the Agreement, for Unbundled Local Switching as set forth in Attachment 1, to this Amendment, attached hereto and incorporated herein by this reference.
Effective Date
This Amendment shall be deemed effective upon approval by the Commission; however, the Parties may agree to implement the provisions of this Amendment upon execution. To accommodate this need, CLEC must generate, if necessary, an updated Customer Questionnaire. In addition to the Questionnaire, all system updates will need to be completed by Qwest. CLEC will be notified when all system changes have been made. Actual order processing may begin once these requirements have been met.
<u>Further Amendments</u>
Amendments; Waivers. The provisions of this Agreement, including the provisions of this sentence, may not be amended, modified or supplemented, and waivers or consents to departures from the provisions of this Agreement may not be given without the written consent thereto by both Parties' authorized representative. No waiver by any party of any default, misrepresentation, or breach of warranty or covenant hereunder, whether intentional or not, will

be deemed to extend to any prior or subsequent default, misrepresentation, or breach of warranty or covenant hereunder or affect in any way any rights arising by virtue of any prior or subsequent such occurrence.

Entire Agreement. This Agreement (including the documents referred to herein) constitutes the full and entire understanding and agreement between the parties with regard to the subjects of this Agreement and supersedes any prior understandings, agreements, or representations by or between the parties, written or oral, to the extent they relate in any way to the subjects of this Agreement.

	Qwest Corporation
Signature	Signature
Name Printed/Typed	Name Printed/Typed
Title	Title
Date	Date

Arizona

9.11.2.5 Unbundled Local Switching does not constitute a UNE, and is therefore not available at UNE rates, when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location, and the lines are located in density zone 1 in specified Metropolitan Statistical Areas (MSAs). An exception would be when CLEC orders EEL in density zone one of the top fifty (50) MSAs and Qwest cannot provision the service. Unbundled Local Switching is available at market-based rates when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location and the lines are located in density zone 1 in specified MSAs. This exception applies to density zone 1 as it was defined by Qwest on January 1, 1999.1

9.11.2.5.7 CLEC may order new Unbundled Local Switching or UNE-P Combinations in quantities that exceed three (3). If CLEC orders four (4) or more such Unbundled Local Switching elements or UNE-P Combinations for an individual End User Customer at a given location within the Wire Center(s) identified above in this section, market-based rates for the Unbundled Local Switching elements or for the unbundled switching component of the UNE-P service as provided in Exhibit A to this Agreement shall apply.

9.11.2.5.7.1 When a CLEC's End User Customer with three (3) lines or fewer served by UNE-P or unbundled switching adds lines so that it has four (4) or more lines at a given location, CLEC shall do one of the following regarding the original three (3) Unbundled Local Switching elements or UNE-P lines within sixty (60) days from the date the fourth line is added: 1) CLEC may retain such unbundled switching lines at a market-based rate or retain such UNE-P lines as UNE-P Combinations with a market-based rate for the unbundled switching component shown in Exhibit A of this Agreement; or 2) CLEC shall convert such lines from UNE-P lines or unbundled switching elements to resold services or other appropriate arrangement.

All other states:

9.11.2.5 Unbundled Local Switching does not constitute a UNE, and is therefore not available at UNE rates, when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location, and the lines are located in density zone 1 in specified Metropolitan Statistical Areas (MSAs). Unbundled Local Switching is available at market-based rates when CLEC's End User Customer to be served with Unbundled Local Switching has four (4) or more access lines at a given location and the lines are located in

¹ Qwest has not implemented market-based rates for stand-alone Unbundled Local Switching nor for Unbundled Local Switching as supplied with UNE-P combinations. Qwest currently offers stand-alone Unbundled Local Switching and UNE-P combinations in all Qwest geographic locations at TELRIC rates. However, Qwest reserves the right to charge market-based rates for stand-alone Unbundled Local Switching and for Unbundled Local Switching as supplied with UNE-P combinations as described inSection 9.11.2.5.



density zone 1 in specified MSAs. This exception applies to density zone 1 as it was defined by Qwest on January 1, 1999.²

9.11.2.5.7 CLEC may order new Unbundled Local Switching or UNE-P Combinations in quantities that exceed three (3). If CLEC orders four (4) or more such Unbundled Local Switching elements or UNE-P Combinations for an individual End User Customer at a given location within the Wire Center(s) identified above in this section, market-based rates for the Unbundled Local Switching elements or for the unbundled switching component of the UNE-P service as provided in Exhibit A to this Agreement shall apply.

9.11.2.5.7.1 When a CLEC's End User Customer with three (3) lines or fewer served by UNE-P or unbundled switching adds lines so that it has four (4) or more lines at a given location, CLEC shall do one of the following regarding the original three (3) Unbundled Local Switching elements or UNE-P lines within sixty (60) days from the date the fourth line is added: 1) CLEC may retain such unbundled switching lines at a market-based rate or retain such UNE-P lines as UNE-P Combinations with a market-based rate for the unbundled switching component shown in Exhibit A of this Agreement; or 2) CLEC shall convert such lines from UNE-P lines or unbundled switching elements to resold services or other appropriate arrangement.

Amendment to CDS-0000000000